

MAGNITUDE

1,011,000 renter households (59% of all renters)

542,000 owner households (37% of all owners)

pay more than 30% of gross income for housing each month

Source: ACS 2015 one-year LA County estimate, DP04

RENT BURDEN

- Over 90% of renter households making less than \$35,000 per year (649,000)
- Over 70% of renter households making between \$35-50,000 per year (192,000)
- Over 40% of renter households making between \$50-75,000 per year (123,000)
- 10% of renter households making over \$75,000 per year (47,000)

Source: ACS ACS 2015 one-year LA County estimate, B25106

HOW WE GOT HERE?

Divergence of income and rent trends

Downzoning

NIMBY

Loss of federal, state and local funds

Not building enough units at the appropriate rent ranges

ESTIMATED MONETARY SOLUTION TO ELIMINATE RENT BURDEN

\$5,000,000,000 per year OR
\$100,000,000,000 in one-time capital
Los Angeles County

Method: # rent burdened households in each income category under \$50,000 x (median rent – imputed affordable rent) x 5% capitalization rate.

Reference: McKinsey 2016 California Housing Report estimates annual housing affordability gap at \$50 billion statewide. New York City 2014 10-year Housing Plan commits to 200,000 affordable units with a budget of \$41.4 billion. Los Angeles City 2013-2021 Housing Element estimates needing \$3.6 billion just to save 20,000 expiring covenants and \$7.1 billion to meet RHNA targets, not including correcting existing rent burden.

SOLUTIONS

DISPLACEMENT	PRODUCTION AND PRESERVATION	STABILIZE NEIGHBORHOOD & PROMOTE DIVERSITY
Just cause eviction	Affordable housing tax	Density bonus
Tenant protection	Bonds	Inclusionary housing
Discrimination enforcement	Demolition control	Linkage fees
Code enforcement	Rehabilitation	Community benefits
Tenant counseling	Homeowners	Zoning
Tenant Section 8 subsidy	Fair housing	TOD plans
Tenant right to purchase	Minimum wage & asset building	Reduce parking
Community organizing	Project based Section 8 subsidy	Reduce accessory unit barriers
	Rent control	Public land
	Rent building acquisition	Land trusts
	Condo conversion moratorium	Housing trust funds
	Foreclosure prevention	Housing element
	Single room occupancy regulations	Transport investment
	1:1 replacement	
	Mobile home parks	
	Permit and fee facilitation	
	Property tax exemption	

Source: Karen Chapple, UC Berkeley, 2016.

TO DO LIST

Support the County sales tax initiative in March

Support the City linkage fee ordinance

Support more money for affordable housing

Upzone WITH affordable housing set-aside

Fund and enforce existing law

Local Wins (MONEY)

- Measure A1, Alameda County. \$580 million bond for affordable rental and homeownership.
- Measure A, Santa Clara County. \$950 million for affordable housing from supportive to moderate-income.
- Props J and K, San Francisco. $\frac{3}{4}\%$ sales tax. $\frac{1}{4}$ cents to homeless and $\frac{1}{2}$ to transportation.
- Measure K, San Mateo County. Extends $\frac{1}{2}$ cent sales tax for homeless to affordable housing.
- Prop HHH, Los Angeles City. \$1.2 billion homeless and housing bond.
- Measures GS and GSH, Santa Monica City. $\frac{1}{2}$ sales tax with half going to education and half to affordable housing.
- Measure U1, Berkeley City. Increases gross receipt tax on landlords.

More Local Wins (LAND USE)

- Measure JJJ, Los Angeles City. Requires developers seeking zone change to build or fund affordable housing and pay fair wages.
- Measure LV, Santa Monica City. Would require voter approval for projects exceeding certain height and size. Defeated.
- Prop U, San Francisco. Would increase income level to 110% of median for city-required affordable housing production. Defeated.

More, more Local Wins (tenant protection)

- Measure L, Richmond. Limits rent increase to 100% of CPI and establishes just cause eviction.
- Measure V, Mountain View. Limits rent increase to 2-5% and establishes just cause eviction.
- Measure JJ, Oakland. Strengthen existing just cause and rent stabilization ordinances.